Appendix V

[*Vide* item VII (4)]

L.A. Bill No. 38 of 1970

(As passed by the Assembly)

A Bill further to amend the Tamil Nadu Co-operative Societies Act, 1961.

Be it enacted by the Legislature of the State of Tamil Nadu in the Twenty-first Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Tamil Nadu Co-operative Societies (Second Amendment) Act, 1970.

(2) It shall be deemed to have come into force on the 10th November 1970.

2. *Insertion of new chapter X-A in Tamil Nadu Act* 53 *of* 1961.—After Chapter X of the Tamil Nadu Co-operative Societies Act, 1961 (Tamil Nadu Act 53 of 1961) (hereinafter referred to as the principal Act), the following Chapter shall be inserted, namely :—

"CHAPTER X-A.

Lift Irrigation Societies.

84-A. *Application of Chapter.*—This Chapter shall apply only to lift irrigation societies.

84-B. *Definitions.*—In this Chapter, unless the context otherwise requires,—

(1) "lift irrigation society" means a society the principal object of which is to supply water by lift irrigation mainly for agricultural purposes ;

(2) 'small farmers' lift irrigation society" means a lift irrigation society of which no member owns more than such extent of land as may be prescribed.

84C. *Declaration by members of a lift irrigation society.* (1) (*a*) Notwithstanding anything contained in this Act or in any other law for the time being in force, every person making an application for admission as a member of a lift irrigation society shall specify in such application, the particulars of the lands for which he desires supply of water by the lift irrigation society and, if the by-laws of such society so require, also make a declaration in the form prescribed, authorising the lift irrigation society to mortgage the lands specified in the application as security for any loan to be taken by the lift irrigation society in connection with, or to facilitate, the operations of such society.

(*b*) Where a declaration referred to in clause (*a*) is made by any person and such person is admitted as a member of the lift irrigation society, such society shall be entitled to mortgage the lands specified in the declaration or any portion thereof in favour of the Government, any land development bank or any other financing institution from which such society takes a loan (hereinafter in this section referred to as the creditor) and such mortgage shall be binding on the person who made the declaration and his successors-in-interest in such lands.

(*c*) Any lift irrigation society taking a loan from any financing institution (other than the Government and any land development bank) shall obtain the prior approval of the Registrar.

(2) No declaration made under sub-section (1) shall be varied or cancelled by a member without the previous written permission of the lift irrigation society and the lift irrigation society shall not give such permission without the approval of the creditor.

(3) (*a*) No land in respect of which a declaration has been made under sub-section (1) of any part of such land or any interest in such land shall be sold or otherwise transferred without the previous written permission of the lift irrigation society, and such permission shall not be given by the lift irrigation society without the approval of the creditor.

(*b*) Notwithstanding anything contained in any law for the time being in force, any transaction made in contravention of clause (*a*) shall be null and void.

(4) The declaration made under sub-section (1) or any variation or cancellation thereof shall be sent by registered post by the lift irrigation society to the sub-registrar having jurisdiction over the area in which the lands are situated.

(5) On receipt of the declaration, variation or cancellation, the sub-registrar shall, notwithstanding anything contained in any law for the time being in force, register such declaration, variation or cancellation and issue a copy thereof to the lift irrigation society.

(6) Any declaration made under sub-section (1) or any variation or cancellation thereof which has not been registered under sub-section (5) shall, notwithstanding anything contained in this Act, or in any other law for the time being in force, be null and void.

84-D. *Agreement regarding period of membership, sharing of expenditure, etc.*—(1) Notwithstanding anything contained in this Act, or in any other law for the time being in force, every person on being admitted as a member of a lift irrigation society, shall, in addition to the declaration, if any, made under sub-section (1) of section 84-C execute an agreement with the lift irrigation society specifying—

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(*i*) that he shall continue as member of such society so long as he continues to own the land for which water is supplied by the lift irrigation society or any portion thereof ;

(*ii*) that he agrees to pay his share of the capital expenditure and the maintenance charges for providing supply of water (including overhead charges and depreciation) as may be determined by the committee from time to time with the approval of the Registrar; and

(*iii*) such other matters as may be prescribed.

(2) The agreement executed under sub-section (1) shall be sent by registered post by the lift irrigation society to the sub-registrar having jurisdiction over the area in which the lands are situated.

(3) On receipt of the agreement' the sub-registrar shall, notwithstanding anything contaiend in any law for the time being in force, register such agreement and issue a copy thereof to the lift irrigation society.

(4) Any agreement executed under sub-section (1) which has not been registered under sub-section (3) shall, notwithstanding anything contained in this Act or in any other law for the time being in force, be null and void.

(5) The lift irrigation society shall be entitled to collect any sum due to the society under the agreement executed under sub-section (1) or on any account whatsoever, by any member or past or deceased member.

84-E. *Prohibition against withdrawal of membership.*—Notwithstanding anything contained in this Act or in any other law for the time being in force, no member of a lift irrigation society shall, so long as he continues to own the land for which water is supplied by the lift irrigation society or any portion thereof, be entitled to withdraw his membership :

Provided that the lift irrigation society may subject to such conditions as may be prescribed, permit any member to withdraw.

84-F. *Regulation of supply of water.*—The committee of a lift irrigation society shall have the right to regulate the supply of water from the works of the society in accordance with such regulations as may be made by the committee in this behalf with the approval of the Registrar.

84-G· *Admission of transferees of land and heirs, etc., as members.*—Where a member of a lift irrigation society,—

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(*i*) sells or otherwise transfers any land for which water is supplied by the lift irrigation society or any portion thereof ; or

(*ii*) dies ;

the transferee, or the heir or the legal representative, as the case may be, shall if he is qualified for membership of such society, on application made in the form, if any, prescribed for the purpose, be admitted by the committee as a member of the lift irrigation society :

Provided that any member admitted under this section may, with the approval of the Registrar, be removed from membership by the committee ; and any application for obtaining such approval shall be made within two months from the date of admission of such member.

84-H. *Concessions and facilities for the small farmers' lift irrigation society*.—Without prejudice to the provisions of Chapter VI, a small farmers' lift irrigation society shall be entitled to such special concessions and facilities as may be prescribed.

3. *Amendment of section* 96, *Tamil Nadu Act* 53 *of* 1961.—In clause (*a*) of sub-section (2) of section 96 of the principal Act, for the expression "approval of or refusal to approve expulsion of a member under sub-section (2) section 20", the expression "or the proviso to section 84-G, approval of, or refusal to approve, the expulsion of a member under sub-section (2) of section 20, the proposal to take a loan under clause (*c*) of sub-section (1) of section 84-C, the decision of the committee under clause (*ii*) of sub-section (1) of section 84-D, or the regulations under section 84-F" shall be substituted.

4. *Amendment of section* 102, *Tamil Nadu Act* 53 *of* 1961.—In section 102 of the principal Act,—

(*i*) in the marginal heading, for the expression "sections 32' 33 or 77", the expression "section 32, 33, 77 or 84-C" shall be substituted ;and

(*ii*) after the expression "sub-section (3) of setcion 77", the expression "or sub-section (3) of section 84-C" shall be inserted.

5. *Repeal*.—The Tamil Nadu Co-operative Societies (Second Amendment) Ordinance, 1970 (Tamil Nadu Ordinance 5 of 1970), is hereby repealed.